Ola Ka ‘Ilima Artspace Lofts provides 84 one, two and three-bedroom units of low-income workforce housing for artists and their families in Honolulu’s Kaka’ako neighborhood. Units are designed with high ceilings, large windows, durable surfaces, large doors, and wide hallways to accommodate a variety of creative activities. Twelve units are set aside for eligible applicants meeting the criteria of Housing First. The remaining units are for families or individuals. Units will be available to income-qualifying households at 60% and below of the area median income (AMI) levels. Like all Artspace projects, this building will be multi-ethnic, multi-generational, and multi-disciplinary.

The property will provide rental apartment homes without regard to race, color, sex, creed, religion, national origin, physical or mental disability status, familial status, age, ancestry, marital status, source of income, sexual orientation or HIV status. Ola Ka ‘Ilima Artspace Lofts will include accessible units and will make reasonable accommodations to individuals whose disability so requires. Reasonable Accommodation Request forms are available upon request from management. Ola Ka ‘Ilima Artspace Lofts is an Equal Opportunity Housing Facility, admitting people in accordance with Local, State and Federal Fair Housing laws, the Low Income Housing Tax Credit Program (LIHTC), the HUD HOME program, the City and County of Honolulu’s Affordable Housing Fund, and the State of Hawaii Rental Housing Revolving Fund (RHRF) program. Non-English translation and/or assistance is available upon request.

Accessible units are available and reasonable accommodations will be made.

**INCOME LIMITS**

To qualify for an apartment, the household’s gross income may not exceed the maximum income limit per household size and may not be lower than the income minimum* per household size. The income maximums and minimums are attached and are subject to change.

*The apartment may be rented if proof is obtained indicating satisfactory and timely rental payment history for the past twelve (12) months in the amount equal to or greater than the Ola Ka ‘Ilima Artspace Lofts rent charged for that unit size.*
APPLICATION PROCEDURES
Applications will only be distributed when the waitlist is open. Applications will not be distributed when the waitlist is closed.

Each applicant must complete an application and be willing to submit to a credit history, rental history, and criminal background inquiry, as well as income and asset verification. Final selection of eligible applicants will be done by the Artist Selection Committee (ASC) through an interview process with the applicant.

APPLICATION FEES APPLY
An application fee of $35 per adult household member will apply. The application fee will not be collected until an applicant is being considered for placement. The application fee is to help cover our cost of conducting the credit and criminal background inquiries.

All application entries are to be made in ink or typed. Corrections or changes are to be made by lining through the original entry and entering the correct data. Such changes must be dated and initialed by the person making the change.

PREFERENCE
Preferences will be used on a continuous basis in the selection of applicants. However, the policy of the Property is that a preference does not guarantee admission. Every applicant must still meet the Property’s Resident Selection Plan standards for acceptance as a resident. Preference for this property will be given to those applicants and or their household member(s) who participate in and are committed to the arts, identifying as artist, artisan, or cultural bearer.

For units accessible to or adaptable for persons with mobility, visual or hearing impairments, households containing at least one person with such impairment will have first priority.

Residents shall be selected in accordance with the preferences described in Section 42 of the IRS low-income housing general use, “A project does not fail to meet the general public use requirement solely because of occupancy restrictions or preferences that favor tenants…who are involved in artistic or literary activities.” (H.R. 3221 / pg. 616 / line 21, passed into law August 2008). The preference so described will at all times be
consistent with the requirements of Section 42 and future interpretations or guidance from the IRS and will not in any way jeopardize the project’s eligibility under Section 42 of the Internal Revenue Code.

An artist applicant must income qualify, pass a criminal background check, and will be interviewed by an Artist Selection Committee to be verified for an artist preference. The Artist Selection Committee is comprised of local artists, Artspace staff, and the local property management team. The Artist Selection Committee (ASC) interviews applicants to determine their participation in, and commitment to the arts; they do not judge the content of an applicant's artistic work. Applicants deemed ineligible for the preference will be moved to the bottom of the waitlist.

If at any time there is no applicant with an artist preference on the waitlist, then no unit in the Project shall be held vacant awaiting such applicant, but shall be rented promptly to an approved applicant without a preference.

**APARTMENT TRANSFER POLICY**

An Apartment Transfer List is maintained for those residents who have been approved for transfer on the basis of a disability or change in household status. Transfers for accessibility or medical reasons will have priority over those for changes in household composition. Residents on the Apartment Transfer List will have priority over the applicants on the waitlist.

In order to transfer to another apartment in the property, the family must meet the initial eligibility requirements of the LIHTC Program or the transfer will not be allowed. During the initial term of the Lease, no apartment transfers will be allowed.

**OCCUPANCY STANDARDS**

Occupancy standards are the criteria established for matching a household with the most appropriate size and type of apartment. The following occupancy guidelines will be followed to avoid over utilization of the apartments as follows:

<table>
<thead>
<tr>
<th>Bedroom Size</th>
<th>Household Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>3</td>
<td>7</td>
</tr>
</tbody>
</table>

To determine the proper bedroom size for which a household may qualify, the following household members are to be included:

1. All full-time members of the household, and
2. Live-in attendants
3. Foster children
4. Unborn children
5. Children in the process of adoption

NOTE: Live-in attendants are subject to the criminal and landlord provisions of this plan with the exception of criteria that determines ability to pay rent. Live-in attendants are not tenants and do not have rights associated with a landlord-tenant relationship. The fee to run a criminal background check is currently $20 per live-in attendant.
CHANGES IN HOUSEHOLD COMPOSITION
During the initial term of the Lease, no changes in household composition will be allowed. Only those household members listed on the application at time of move in will be allowed to reside in the apartment during this time. Exceptions considered would include unborn children and legal adoptions.

VIOLENCE AGAINST WOMEN ACT OF 2013
The Violence Against Women Act (“VAWA”) protects victims against eviction or denial of housing based on domestic violence, dating violence, sexual assault and stalking. In 2013, Congress expanded VAWA’s housing protections by covering additional federal housing programs, including the Low-Income Housing Tax Credit program (“LIHTC”). VAWA offers the following protections:

1. An applicant’s or program participant’s status as a victim of domestic violence, dating violence, sexual assault and stalking is not a basis for denial of admission, if the applicant otherwise qualifies for admission.

2. This must support or assist victims of domestic violence, dating violence, sexual assault and stalking. It must protect victims, as well as members of their family, from being denied housing or from losing their HUD assisted housing.

3. An incident or incidents of actual or threatened domestic violence, dating violence, sexual assault and stalking will not be construed as serious or repeated violations of the lease or other “good cause” for terminating the assistance, tenancy, or occupancy rights of a victim of abuse.

4. Criminal activity directly related to domestic violence, dating violence, sexual assault and stalking, engaged in by a member of a tenant’s household or any guest or other person under the tenant’s control, shall not be cause for termination of assistance, tenancy, or occupancy rights of the victim of the criminal acts.

5. Assistance may be terminated or a lease “bifurcated” in order to remove an offending household member from the home. Whether or not the individual is a signatory to the lease and lawful tenant, if he/she engages in a criminal act of physical violence against family members or others, he/she stands to be evicted, removed, or have his/her occupancy rights terminated. This action is taken while allowing the victim, who is a tenant or a lawful occupant, to remain.

6. The provisions protecting victims of domestic violence, dating violence, sexual assault and stalking engaged in by a member of the household, may not be construed to limit Ola Ka ‘Ilima, when notified, from honoring various court orders issued to either protect the victim or address the distribution of property in case a family breaks up.

7. The authority to evict or terminate assistance is not limited with respect to a victim that commits unrelated criminal activity. Furthermore, if Ola Ka ‘Ilima can show an actual and imminent threat to other tenants or those employed at or providing service to the property if an unlawful tenant’s residency is not terminated, then evicting a victim is an option, the VAWA notwithstanding. Ultimately, Ola Ka ‘Ilima will not subject victims to more demanding standards than other tenants.
The VAWA protections shall not supersede any provision of any federal, state, or local law that provides greater protection for victims of domestic violence, dating violence, sexual assault and stalking. The laws offering greater protection are applied in instances of domestic violence, dating violence, sexual assault and stalking.

The Notice of Occupancy Rights and Certification form will be provided to applicants when assistance is being denied or at the time of move-in.

**GROUNDS FOR REJECTION**

1. Total family income exceeds the applicable income limits published by HUD or does not meet the minimum income limit.

2. Household cannot pay the full security deposit at move-in.

3. Household refuses to accept the second offer of an apartment.

4. Household fails to respond to interview letters or otherwise fails to cooperate with the certification process. Failure to sign consent forms.

5. Any adult household members fail to attend eligibility interview.

6. Blatant disrespect or disruptive behavior toward management, the property or other residents exhibited by an applicant or family member any time prior to move-in (or a demonstrable history of such behavior).

7. Household is composed entirely of full time students and does not meet the exception outlined in Section 42 of the IRC or does not meet HOME (Section 8) student rule.

8. Applicant has failed to provide adequate verification of income or we are unable to adequately verify income and/or income sources.

9. Providing or submitting false or untrue information on your application or failure to cooperate in any way with the verification process.

10. Apartment assignment will NOT be the family’s sole place of residency.

**Qualification for a unit includes occupying the unit on a continuous basis and as a primary residence. Residents may not be absent from the unit for more than 60 consecutive days, or for longer than 180 continuous days for medical reasons.**
LANDLORD REFERENCE

11. Negative landlord references that indicate lease violation, disturbing the peace, harassment, poor housekeeping, improper conduct or other negative references against the household.

12. Evictions reported in the last 5 years.

13. History of late payment of rent that demonstrates more than 2 late payments of rent in a six-month period for the past two years. More than 1 rent check returned from a financial institution for Non-Sufficient Funds (NSF) in a one-year period.

14. Any evidence of illegal activity including but not limited to drugs, gang, etc.

15. Inappropriate household size for the apartment available (see Occupancy Standards).

CREDIT

See attached Screening Criteria.

** Applicants without a credit history may fail OnSite’s “Income to Debt Ratio” criteria and their application may be denied for housing.

CRIMINAL

See attached Screening Criteria.

*** Exemptions may apply for Housing First applicants

GRIEVANCE/APPEAL PROCESS

Failure to meet one or more of the foregoing screening criteria may be grounds for rejection, however, each application is considered as a whole and the above-factors are considered as part of a weighted formula. Should the applicants fail to meet the screening criteria, they will receive a notice in writing indicating that they have the right to appeal the decision. This notice must indicate that the applicant has 14 days to dispute the decision.

An appeal meeting with the Property Supervisor or the Compliance staff will be held within 10 business days of receipt of the applicant's request.

Within five days of the appeal meeting, the property will advise the applicant in writing of the final decision regarding eligibility.

Apartments will not be held for those applicants in the appeal process.
ADMINISTRATION OF WAITLIST
The property is required to maintain a waitlist of all eligible applicants. Applicants must be placed on the waitlist and selected from the waitlist even in situations where there are vacancies and the application is processed upon receipt. This procedure is necessary to assure the complete and accurate processing of all documentation for all applicants.

The property has one waitlist that is established and maintained in chronological order based on the date and time of receipt of the Preliminary Application. The waitlist contains the following information for each applicant:

1. Applicant Name
2. Address and/or Contact Information
3. Phone Number(s)
4. Apartment Type/Size
5. Household Composition
6. Preference/Accessibility requirements
7. Income level
8. Date/ Time of Application

Applicants must report changes in writing to any of the information immediately.

Applicants will have the opportunity to decline the first apartment offered and retain their place on the waitlist. Should the applicant decline the offer of the next available apartment, they will be removed from the waitlist.

PURGING THE WAITLIST
The waitlist will be purged periodically. Each applicant will receive a letter from the property, which will request updated information and ask about their continued interest. This letter must be returned within the specified time or the application will be removed from the waitlist. It is the responsibility of the applicant to maintain a current address with the office in order to receive waitlist correspondence. Any correspondence returned undeliverable will result in the application being removed from the waitlist.

OPENING/CLOSING OF WAITLIST
The methods of advertising used to announce opening and closing of the waitlist is contained in our Marketing Plan.

AVAILABILITY OF RESIDENT SELECTION PLAN
The Resident Selection Plan shall be posted in a conspicuous and public area at the rental office. Changes to the Plan will be sent via U.S. mail to all persons on the active waitlist. When the waitlist opens, the Resident Selection Plan will be distributed with applications and is available upon request from management.

ANNUAL RECERTIFICATION REQUIREMENTS
All residents must recertify their eligibility annually. Proposed changes of household composition and student status must be reported to Management immediately.
UNIT INSPECTION REQUIREMENT
Before signing the lease, Ola Ka ‘Ilima and the resident must jointly inspect the unit. The resident has five
days to report any additional deficiencies to Ola Ka ‘Ilima to be noted on the move-in inspection form.

Annual unit inspections are performed by Ola Ka ‘Ilima. Agencies providing funding have the right to inspect
the unit to ensure the property is physically well maintained and that the residents are provided with decent,
safe and sanitary housing.

Residents will receive prior written notification for all unit inspections.

When a resident moves out, a final inspection will be completed. Residents are encouraged to attend the
move-out inspection. However, if the resident does not wish to participate in the final inspection, Ola Ka ‘Ilima
management may conduct the inspection alone.

NON-SMOKING POLICY
Ola Ka ‘Ilima Artspace Lofts is designated as a Non-Smoking Property. Smoking is prohibited in all areas of
the property including the interior of apartments, and all indoor and outdoor common areas on the property
which includes but is not limited to: the community center, parking lots and private roadways.

Residents are responsible to inform their guests of the Non-Smoking Areas. Residents will not permit the
dwelling unit to be used for, or to facilitate, any smoking activity, regardless of whether the individual engaging
in such activity is a member of the household or is a guest.

Any violation of the Non-Smoking Policy will be grounds for a lease violation to be issued. Repeated offense
may be deemed a material breach of the Rental Agreement and grounds for immediate termination of the
Lease/Rental Agreement by the Owner.

The Owner's adoption of a Non-Smoking Policy does not make the Owner the guarantor of the Tenant's health
or that the Property will be free of smoke but the Owner shall take reasonable steps to enforce this policy.

PETS
Residents are permitted to keep up to two common household pets in the dwelling unit subject to the provisions
and pet policy promulgated under 24 Combined Federal Regulations (CFR) Section 243.

SERVICE or ASSISTANCE animals are not considered pets and are not required to comply with the provisions
of the Pet Policy. Service or Assistance animals are those animals specifically required to assist individuals with
documented disabilities. Please notify Management if you require a Service or Assistance animal.

EQUAL HOUSING OPPORTUNITY
Ola Ka ‘Ilima Artspace Lofts does not discriminate on the basis of disability status in the admission or access
to, or treatment or employment in, its federally-assisted programs and activities.
### INCOME MINIMUMS AND MAXIMUMS

Minimum monthly income is equivalent to 2.5 times the monthly rent

<table>
<thead>
<tr>
<th>Minimum of Median</th>
<th>1 Bedroom</th>
<th>2 Bedroom</th>
<th>3 Bedroom</th>
</tr>
</thead>
<tbody>
<tr>
<td>30% of Median</td>
<td>$1,537</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>50% of Median</td>
<td>$2,667</td>
<td>$3,170</td>
<td>$3,630</td>
</tr>
<tr>
<td>60% of Median</td>
<td>$3,232</td>
<td>$3,847</td>
<td>$4,415</td>
</tr>
</tbody>
</table>

NOTE: Applicants who have Section 8 are exempt from the minimum income requirement.

### Maximum household income based on published Income Limits for 2020 (subject to change)

<table>
<thead>
<tr>
<th>Maximum of Median</th>
<th>1 Person</th>
<th>2 Person</th>
<th>3 Person</th>
<th>4 Person</th>
<th>5 Person</th>
<th>6 Person</th>
<th>7 Person</th>
</tr>
</thead>
<tbody>
<tr>
<td>30% of Median</td>
<td>$26,460</td>
<td>$30,240</td>
<td>$34,020</td>
<td>$37,770</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>50% of Median</td>
<td>$44,100</td>
<td>$50,400</td>
<td>$56,700</td>
<td>$62,950</td>
<td>$68,000</td>
<td>$73,050</td>
<td>$78,100</td>
</tr>
<tr>
<td>60% of Median</td>
<td>$52,920</td>
<td>$60,480</td>
<td>$68,040</td>
<td>$75,540</td>
<td>$81,600</td>
<td>$87,660</td>
<td>$93,720</td>
</tr>
</tbody>
</table>